

# FISCAL NOTE

**Bill #:** HB0102

**Title:** Statutory appropriation for highway patrol retirement-related fees

**Primary Sponsor:** Lenhart, R

**Status:** As Amended in House Committee

Sponsor signature	Date	David Ewer, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2006 Difference</u></b>	<b><u>FY 2007 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$890,000	\$890,000
State Special Revenue	(\$800,000)	(\$800,000)
<b>Revenue:</b>		
General Fund	\$1,600,000	\$1,000,000
State Special Revenue	(\$1,000,000)	(\$1,000,000)
<b>Net Impact on General Fund Balance:</b>	<b>\$710,000</b>	<b>\$110,000</b>

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|--|---|
| <input type="checkbox"/> Significant Local Gov. Impact<br><input checked="" type="checkbox"/> Included in the Executive Budget<br><input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Technical Concerns<br><input type="checkbox"/> Significant Long-Term Impacts<br><input type="checkbox"/> Needs to be included in HB 2 |
|--|---|

## Fiscal Analysis

### ASSUMPTIONS:

1. In FY 2006 and FY 2007, approximately \$90,000 in revenues are generated for the permanent registration fees deposited in the general fund for Sections 61-3-527 (4), 61-3-530(4), and 61-3-562 (1).
2. Presently, there is no mechanism in statute or HB 2 that provides for the transfer of the revenues in assumption 1 to the Montana Highway Patrol (MHP) retirement pension fund. The FY 2004 and FY 2005 transfer amounts to the MHP retirement pension fund are requested in the supplemental bill. HB 102 would authorize a statutory appropriation, in Section 1 of the bill, to make this transfer for future years. The expenditure of \$90,000 is included as an expense for the general fund for FY 2006 and FY 2007.
3. Dept of Administration currently makes the distribution to the MT highway patrol retirement pension fund through a general fund language appropriation. This was required in 15-1-122 (3)(e), MCA. This section is now being deleted, as the statutory appropriation in section 1 of the bill will include this transfer. Since both sections are out of the general fund, there is no fiscal impact from this change.
4. Approximately \$1 million is received annually from the collection of driver's licenses and duplicate driver's licenses. These revenues are deposited in a state special revenue fund created by 61-5-121, MCA. Approximately \$800,000 a year is then transferred from the state special revenue fund to the MT highway

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(continued)

patrol retirement pension fund. HB 102 will change this process to have the revenues and expenses recorded in the general fund instead of the state special revenue fund. The fiscal note reflects this change between funds for the revenues and expenses.

5. Section 11 of the bill transfers the remaining balance in the state special revenue fund (61-5-121, MCA) to the general fund on 7/1/2005. It is estimated that \$600,000 will be moved to the general fund as a fund balance entry.

### **FISCAL IMPACT:**

#### **Department of Justice**

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Personal Services	\$90,000	\$90,000
<u>Funding of Expenditures:</u>		
General Fund (01)	890,000	890,000
State Special Revenue (02)	<u>(800,000)</u>	<u>(800,000)</u>
TOTAL	\$90,000	\$90,000
<u>Revenues:</u>		
General Fund (01)	\$1,600,000	\$1,000,000
State Special Revenue (02)	(\$1,600,000)	(\$1,000,000)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$710,000	\$110,000
State Special Revenue (02)	(\$800,000)	(\$200,000)

### **TECHNICAL NOTES:**

1. The title of the bill still states that a statutory appropriation will be made in the state special revenue fund. The amendments changed the original language so that the statutory appropriation is now in the general fund. Reference to the state special fund should be deleted from the title of the bill.